

**VIRGINIA DEPARTMENT OF SOCIAL SERVICES
DIVISION OF LICENSING PROGRAMS**

**ANNUAL OPERATING STATEMENT & WORKING BUDGET FOR
CHILDREN'S RESIDENTIAL FACILITIES**

INTRODUCTION

The Annual Operating Statement and Working Budget provide financial information regarding actual and anticipated revenue and actual and anticipated expenses. Actual revenue and expenses reflect the revenue received and costs incurred for the most recent complete year of facility operations. Anticipated revenue and expenses reflect the expected revenue and expenses for the next year of operations and constitute the working budget for the facility. This form is of primary importance in providing selected information needed to determine financial responsibility as required by the standards applicable to children's residential facilities. The instructions for completing the form which follow describe the information to be recorded for each item.

INSTRUCTIONS FOR COMPLETING THE FORM

ACTUAL AND ANTICIPATED REVENUE: This section should reflect the actual and anticipated annual income available to operate the facility. It should **not** reflect the actual and anticipated annual income of the applicant(s) unless this income was or will be used to operate the facility. Anticipated amounts should be as accurate as possible and supported by confirming documentation to the maximum extent feasible. Actual amounts should be supported by confirming documentation.

1. **Fees for Children in Residential Care:** The actual and anticipated revenue which was or will be received each year as fees or payments for care should be entered here. Anticipated values should be based on the rate per child to be charged by the facility and the number of children that will actually be in care during the next year of operation. This may be estimated to be less than the licensed capacity which is being requested on the application and, if so, should be used rather than licensed capacity in determining the anticipated revenue to be received.
2. **Fees for Other Clients/Services:** The actual anticipated revenue which was and will be received each year as fees or payments for care or services provided to children other than those in residential (24 hour) care.
3. **Federal Funds:** The revenue which was and will be received each year from Federal agencies. Do not include revenue already listed as part of "Fees for Children in Residential Care."

4. State Funds: The revenue which was and will be received each year from State agencies. Do not include revenue already listed as part of "Fees for Children in Residential Care."
5. Local Funds: The revenue which was and will be received each year from localities. Do not include revenue already listed as part of "Fees for Children in Residential Care."
6. Income from Investments: Annual income to support facility operation which was and will be provided by any existing investments.
7. Endowment/Trust Fund(s): Revenue which was or is to be received for the entire year from any endowments or trust funds which currently exist and provided or would provide income to be used to support facility operations.
8. Donations/Solicitations: Income received or estimated to be received from such sources as religious or fraternal organizations, United Way funds, fund drives and solicitations, or any other fundraising activity used to support facility operations.
9. Other (Specify): Annual income received or estimated to be received from any other source(s) which will be used to operate the facility. Specify each source and the amount.

ACTUAL AND ANTICIPATED EXPENSES: This includes actual and anticipated annual expenses of facility operation. It is the total of all expense items shown below. Three major categories of expenses are shown. The explanations of the sub-headings are intended to assist the applicant in understanding the number and types of financial considerations which may be involved in facility operation, and to assist the Department in evaluating the facility's application.

1. Administration:
 - a. Office Supplies & Equipment: Actual and estimated annual cost of expendable and non-expendable items used for administrative purposes. (*e.g. pens, pencils, paper*).
 - b. Depreciation: Buildings: Total annual amount and estimate of depreciation on all buildings owned and utilized by the facility to support the administration of the facility (*e.g. buildings which house administrative offices*).

- c. Depreciation: Equipment: Total annual amount and estimate of depreciation on all capital equipment owned and used in support of administrative operations (*e.g. desks, chairs, computers, etc. used in administrative offices*).
- d. Insurance:
 - (1) Liability (Premises and Operations): Total annual cost of liability insurance covering the premises and operation.
 - (2) Liability (Vehicles): Total annual cost of liability insurance covering all of the vehicles used in support of System's Operations.
 - (3) Other: Total annual cost of other types of insurance (*e.g. fire insurance*).
NOTE: Health Care, Group Life, and other insurance benefiting employees should be shown under Item 2.a. Salaries, Wages & Benefits and **not** in this item.
- e. Interest: Total amount of interest payments paid during the past year and due within the next year on outstanding loans or other debts.
- f. Taxes: Annual amount of all taxes which were paid last year and must be paid this year by the facility. This would include VEC taxes and Federal Unemployment Taxes which must be paid on employees' salaries and wages as well as business license taxes, property taxes, real estate taxes (if not included as part of the mortgage payment under Item 3, below). NOTE: The Employer's FICA (Social Security) taxes should be shown under Item 2, b, and **not** in this item. Specify each tax on a separate line under the entry taxes.

2. Salaries, Wages & Benefits:

- a. Salaries & Wages: All salaries and wages paid during the last year and to be paid by the facility to its employees; and, if the facility is a corporation or association, to its Board of Directors or chief administrative officer; for salaries or expenses, trainers, social workers and other professional staff persons; secretaries, clerks and assistants; maintenance workers; and grounds keepers, janitors and any others who are regular employees of the facility.
- b. FICA (Social Security): Enter the total annual FICA (Social Security) tax, (including both OASDI and Medicare) to be paid by the facility for all employees.
- c. Health Care Insurance: Total amount of annual premiums paid by the facility for health care insurance for employees when the cost of all or part of such insurance is provided by the facility. Do not include portions paid by employees.
- d. Group Life Insurance: Total amount of annual premiums paid by the facility for employee group life insurance when the cost of all or part of such insurance is provided by the facility.
- e. Employer Retirement Contribution: Total annual contribution made by the facility to the retirement fund(s) of employees.
- f. Other Benefits (Specify): On an item by item basis, the cost(s) of any additional benefits provided by the facility to employees.

3. Operations:

- a. Food: Actual and anticipated annual cost of food to be used in the facility. It includes the food required for three meals each day, and the cost of any snacks which are provided. *(Do not include the cost of food provided at no cost to staff who are required to eat with residents. These costs are reported under Item 3.m: Other.)*
- b. Rent or Mortgage Payments: Payments for buildings/property of the facility (e.g. office building, living units); amount shown should be the total annual expense.

- c. Utilities: Total of payments made or to be made by the facility for electricity, water, fuel oil, gas (*for heating*), sewage and refuse services, telephone and similar services.
- d. Maintenance & Repairs: Annual cost of all items used to maintain and carry out necessary repairs on the facility. This would include such items as paint, lumber, nails, roofing materials, grass seed.
- e. Equipment and Supplies: Total actual and projected annual cost of equipment, which is not to be depreciated, and expendable supplies which were and will be used to support facility operation in areas other than the administrative offices. Equipment rental costs should be included here.
- f. Depreciation: Buildings: Total actual costs and annual estimate of depreciation on all buildings owned and utilized by the facility to support operation other than administration (*e.g. classrooms, residential cottages*).
- g. Depreciation: Equipment: Total actual costs and annual estimate of depreciation on all capital equipment owned and used by the facility in support of operation other than administration (*e.g. food service equipment, furniture in residential cottages, classroom equipment, vehicles*).
- h. Motor Vehicles: All expenses related to the maintenance and operation of cars, vans, trucks, etc, owned by the facility and used in support of the operation of the facility.
- i. Laundry and Linens: Cost of soap, detergents, etc., required for the laundry of table linens, bed linens, etc., used by the facility and the cost for outside laundry services.
- j. Staff Travel: Actual travel expenses for last year and total projected travel expense for staff which will be incurred in support of facility operations and the program offered by the facility. This includes transportation costs, the cost for food and the cost for lodging if overnight travel is required.
- k. Staff Training: Actual and projected annual costs of formal training for facility staff which will be paid for or reimbursed by the facility.
- l. Contractual Services: Actual and projected annual cost for any services provided to the facility under contract to support the program offered or facility operation. List each contractual service separately.

- m. Other (Specify): Annual cost of all other expenses not included in other items. Specify each item of expense included here and the expense amount (*e.g. the estimated cost of meals provided at no cost to staff required to eat with residents would be entered here*).

**VIRGINIA DEPARTMENT OF SOCIAL SERVICES
DIVISION OF LICENSING PROGRAMS**

**ANNUAL OPERATING STATEMENT & WORKING BUDGET
FOR PRIVATE SECTOR
CHILDREN'S RESIDENTIAL FACILITIES**

DATE: _____

NAME OF FACILITY: _____

REVENUE (ACTUAL & ANTICIPATED)

	<u>Actual This Year</u> Date: _____ to _____	<u>Anticipated Next Year</u> Date: _____ to _____
1. Fees for Children in Care	\$	\$
2. Fees from Other Clients/Services		
3. Federal Funds		
4. State Funds		
5. Local Funds		
6. Income from Investments		
7. Endowment/Trust Fund(s)		
8. Donations/Solicitations		
9. Other		
 TOTAL REVENUE	 \$	 \$

EXPENSES (ACTUAL & ANTICIPATED)

	<u>Actual This Year</u> Date: _____ to _____	<u>Anticipated Next Year</u> Date: _____ to _____
1. ADMINISTRATION:		
a. Office Supplies & Equipment	\$ _____	\$ _____
b. Depreciation: Building		
c. Depreciation: Equipment		
d. Insurance		
(1) Liability (Premises/ Operations)		
(2) Liability (Vehicles)		
(3) Other (Specify by type)		
e. Interest		
f. Taxes (Specify by type)		

TOTAL ADMINISTRATION EXPENSES	\$ _____	\$ _____
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2. SALARIES, WAGES & BENEFITS

- a. Salaries and Wages
- b. FICA (Social Security)
- c. Health Care Insurance
- d. Group Life Insurance
- e. Employer Retirement Contributions
- f. Other Benefits (Specify)

TOTAL SALARIES, WAGES & BENEFITS EXPENSES	\$ _____	\$ _____
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	<u>Actual This Year</u>	<u>Anticipated Next Year</u>
	Date: _____to	Date: _____to
3. OPERATIONS:		
a. Food	\$	\$
b. Rent/Mortgage Payments		
c. Utilities		
d. Maintenance & Repairs		
e. Equipment & Supplies		
f. Depreciation: Buildings		
g. Depreciation: Equipment		
h. Motor Vehicle		
i. Laundry and Linens		
j. Staff Travel		
k. Staff Training		
l. Contractual Services (Specify)		
m. Other (Specify)		
TOTAL OPERATIONS EXPENSES	\$	\$
TOTAL EXPENSES	\$ _____	\$

AVERAGE NUMBER OF CHILDREN IN CARE THIS YEAR:

ANTICIPATED NUMBER OF CHILDREN IN CARE NEXT YEAR: